

OCTOBER 9, 1978

JAPAN-U.S. TRADE

ANNCR:

MORE THAN ONE HUNDRED UNITED STATES BUSINESSMEN REPRESENTING SMALL AND MEDIUM SIZED INDUSTRIES IN AMERICA ARE PARTICIPATING IN A TWO-WEEK EXPORT DEVELOPMENT MISSION IN JAPAN. V.O.A.'S EDWARD CONLEY SENT THIS BACKGROUND REPORT FROM TOKYO.

VOICE:

THE EXPORT DEVELOPMENT MISSION, CONCERNED MAINLY WITH GETTING AMERICAN MANUFACTURED GOODS ON THE JAPANESE MARKET, WAS CONCEIVED BY THE U.S. DEPARTMENT OF COMMERCE AS PART OF THE EFFORT TO CUT DOWN ON THE EXPECTED THIRTEEN THOUSAND MILLION DOLLAR TRADE ADVANTAGE JAPAN WILL HOLD OVER THE UNITED STATES THIS YEAR. BUSINESSMEN WHO HAVE NEVER TRIED THE EXPORT ROUTE BEFORE HAVE BEEN IN JAPAN SINCE OCTOBER SECOND, MEETING WITH POTENTIAL CUSTOMERS IN SUCH FIELDS AS ADVANCED SCIENTIFIC EQUIPMENT, FOOD PROCESSING AND PACKAGING, AUTOMOBILE COMPONENTS AND GENERAL MACHINERY GOODS.

THE JAPANESE GOVERNMENT, WORRIED THAT ITS HUGE BILATERAL TRADE SURPLUS WILL LEAD TO PROTECTIONIST MOVES IN THE UNITED STATES, HAS HEARTILY WELCOMED THE TRADE MISSION, THE LARGEST OF ITS KIND EVER SENT ABROAD BY THE UNITED STATES. IN ITS EFFORTS TO MAKE THE MISSION A SUCCESS, EVERYTHING FROM TRANSLATORS TO TRANSPORTATION IS BEING PROVIDED, AND SOME THREE THOUSAND SIX HUNDRED INTERVIEWS ARRANGED FOR THE U.S. PRIVATE BUSINESSMEN.

DURING THE FIRST WEEK OF THEIR STAY IN JAPAN, THE U.S. EXECUTIVES WERE ACCOMPANIED BY SECRETARY OF COMMERCE JUANITA KREPS WHO MET WITH JAPANESE GOVERNMENT OFFICIALS, AND IN A BLUNT ADDRESS TOLD JAPAN THAT IF THE UNITED STATES CANNOT SELL MORE ABROAD, IT WILL HAVE TO PURCHASE LESS FROM FOREIGN COUNTRIES. LEADERS OF THE U.S. TEAM SAY THEY ARE LOOKING FOR BOTH CONTRACTS AND CONTACTS, AND THAT THE SUCCESS OR FAILURE OF THE MISSION

SHOULD BE DETERMINED IN THE LONG-RANGE RATHER THAN SHORT-RANGE VIEW.

THERE ARE SIGNS THAT THERE WILL BE SOME SUCCESS TO THE EXPERIMENT. IT'S REPORTED THAT SOME CONTRACTS HAVE ALREADY BEEN SIGNED. BUT THERE ARE ALSO INDICATIONS THAT THIS NOVEL ATTEMPT TO PENETRATE THE JAPANESE MARKET WITH LIGHT INDUSTRIAL U.S. GOODS IS HAVING ITS PROBLEMS. BOTH SECRETARY OF COMMERCE KREPS AND ASSISTANT COMMERCE SECRETARY FRANK WEIL HAVE HAD NOTHING BUT PRAISE FOR THE JAPANESE GOVERNMENT'S EFFORTS TO ASSIST THE MISSION. BUT WHILE IN JAPAN -- SECRETARY KREPS HAS NOW RETURNED TO WASHINGTON -- BOTH POINTED OUT THAT WHAT THE JAPANESE GOVERNMENT WANTS IS NOT ALWAYS CARRIED OUT TO WHAT THEY TERMED THE WORKING LEVEL, WHERE BUSINESSMEN AND GOVERNMENT PURCHASING AGENTS WOULD RATHER BUY FROM THEIR LONG TIME JAPANESE SUPPLIERS THAN FROM OVERSEAS FIRMS.

ONE AREA WHERE THERE IS SOME RESISTANCE TO THE U.S. EXPORT DEVELOPMENT TEAM, ACCORDING TO U.S. OFFICIALS, IS IN THE ADVANCED COMPUTER FIELD, WHERE THE UNITED STATES SUPPLIERS HAVE A DISTINCT TECHNOLOGICAL ADVANTAGE BUT ARE FINDING IT DIFFICULT TO CONVINCE JAPANESE FIRMS TO PURCHASE THEIR EQUIPMENT.

IN A RECENT INTERVIEW, ASSISTANCE COMMERCE SECRETARY WEIL WARNED NOT TO LOOK FOR A QUICK AND ENORMOUS SUCCESS FOR THE EXPORT DEVELOPMENT MISSION. "WE ARE EMBARKING ON A PROCESS OF BREAKING DOWN TRADITIONS," HE SAID, "OF JAPAN AS AN EXPORT-ORIENTED SOCIETY, OF THE UNITED STATES AS AN IMPORT-ORIENTED COUNTRY." MISTER WEIL ADDED, "IF IN THE LONG RUN, TWO-THIRDS OF THE MISSION'S MEMBERS COME UP WITH CONTRACTS, HE WILL CONSIDER THE EXPORT DEVELOPMENT ENDEAVOR A SUCCESS. IF TWO-THIRDS OF THEM FAILED TO GET CONTRACTS," HE SAID, "WE ARE IN SERIOUS TROUBLE". ASKED WHAT WOULD HAPPEN IF THE LATER WERE THE CASE, MISTER WEIL SAID, "WE WILL TRY AGAIN."